

# The Washington Post

A judge calls out Trump's business lies. Voters can be just as critical.

By David Von Drehle      September 27, 2023

<https://www.washingtonpost.com/opinions/2023/09/27/trump-fraud-ruling-judge/>

If you take away the heaping mountain of BS on which Donald Trump built his business empire, what would remain? The former president and his children are about to find out.

In a devastating ruling issued on Tuesday, a New York judge asserted the proposition that business fraud is illegal in the Empire State, documented that lying is standard operating procedure at Trump enterprises, stripped Trump's tangle of corporations of its licenses to do business, and took steps to appoint a receiver to oversee the dismantling of nearly the whole thing: the towers, the mansions, the golf courses, the clubhouses.

This is a summary judgment, which means that the legal pleadings on Trump's behalf were deemed so weak that they did not add up to a plausible argument. New York Supreme Court Justice Arthur F. Engoron actually fined Trump's lawyers \$7,500 each, essentially for wasting his time by repeating theories the judge had already rejected in rulings that have been affirmed on appeal.

Journalists have been documenting the hot air at the heart of Trump's businesses for decades, but that did not stop NBC from casting him as a brilliant mogul in the once-popular series "The Apprentice." Enough Americans mistakenly believed the "reality" series was real (another fraud), and that Trump was able to take the role of superboss onto the campaign trail and ride it to the Oval Office.

You can imagine the ruckus Trump kicked up after the ruling was issued. "My Civil rights have been violated," he declared. His companies have "done business perfectly." It's "a very sad day." All the greatest hits. And nothing the judge hasn't heard before from a real estate company that said a 10,000-square-foot apartment contains 30,000 square feet, "resulting in an overvaluation of \$114-207 million dollars."

Engoron marches through the lies:

- The rent-controlled apartments valued as though they could bring market rates;

- The roughly \$30 million Westchester estate valued at nearly \$300 million;
- The roughly \$200 million share in a Wall Street skyscraper valued at more than \$500 million;
- The \$16 million golf courses valued in excess of \$50 million each;
- The development in Scotland approved for roughly 500 homes valued as though it would contain more than 2,000 homes;
- The heavily deed-restricted Mar-a-Lago property in Florida valued as though there were no deed restrictions ... and so on.

When he finishes the litany of lies, Engoron punches the button for a total and finds the financial condition of Trump's companies was overstated by a minimum of more than \$800 million – and perhaps more than \$2 billion.

And when those inflated values were provided to banks or insurance companies to get favorable terms, that was fraud, the judge ruled.

Interestingly, Trump's attorneys don't make much of an effort to defend the fraudulent valuations. Instead, they have argued that banks and insurance companies know better than to believe anything Trump says. Anyone doing business with such a notorious liar had to be in on the joke, as it were. No harm done.

The judge was having none of it. Engoron gave New York Attorney General Letitia James (D) the go-ahead to pull the business licenses of a catalogue of Trump companies, and set about selecting independent receivers to "manage the dissolution of the former LLCs." The wreckage of the Trump companies appears to be headed for a fire sale, with proceeds going toward the possible \$250 million penalty James is seeking.

Trump's frauds in business are of a piece with his ongoing fleecing of the voting public. He makes inflated claims – peace with North Korea, bringing China to heel, sealing the border – on the assumption that no one will hold him accountable. He pressures election officials to "find" extra votes the way he found an extra 20,000 square feet of penthouse inside his 10,000-square-foot home. He has the same regard for laws protecting classified documents that he has for deed restrictions on his properties.

His apologists explain the fraud away by saying that voters are in on the joke. In one famous formulation, Trump voters take him seriously – but not literally; they are, in other words, like the bankers who lend him money: willingly misled.

If a business empire cannot stand forever on a foundation of hooey, is the same true of a political movement? That's the question of the 2024 election. (A question Democrats could sharpen by insisting on a competitive primary to select a popular nominee.) In

his ruling, Engoron explains that fraud does not injure individual victims alone; it injures the public as a community. New York has an interest in trying to create an honest business environment.

Even more true of political fraud. Rather than wait for a judge to enforce accountability on the once and would-be future president, however, that is a job for we the people. He won't stop lying, but we can stop listening.